## SENATE DEMOCRATIC CAUCUS

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CONTACT: Sen. Bob Emerson (D-Flint) 517/ 373-0142 Sen. Mark Schauer (D-Batlle Creek) 517/ 373-2426

## SENATE APPROVES EARNED INCOME TAX CREDIT; PRESERVES OVERTIME FOR HOME HEALTHCARE AND DAYCARE WORKERS Benefits Michigan working families and individuals

LANSING - The Michigan Senate today approved a state level Earned Income Tax Credit (EITC) to help eligible families and individuals achieve economic stability and security. This refundable Michigan tax credit is available for low and moderate income families and individuals who submit applications for the refunds.

"The EITC is an important program for fighting poverty in our state," Sen. Bob Emerson said. "Michigan is not a high tax state for everyone, but we do tax poor people too much. This bill is a major step in making our tax structure less regressive."

Eligible recipients can qualify for both the Michigan and the federal EITC. The poverty level is currently defined as \$19,971 or less for a family of four. Currently, Michigan is one of just five states that tax families of four with annual incomes below \$14,000.

"These tax credits not only provide purchasing power and additional income, but they provide dignity to those hard-working individuals who seek to improve the quality of life for themselves and their families," Sen. Schauer said. "This is an investment in Michigan workers and our economic rebound."

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